GANSLER SWORN IN AS UNDER SECRETARY OF DEFENSE FOR ACQUISITION AND TECHNOLOGY

Immediate Release



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acques S. Gansler was sworn in Nov. 10 as the seventh Under Secretary of Defense for Acquisition and Technology. The Under Secretary serves as the principal assistant to the Secretary of Defense for acquisition; research and development; logistics; communications; information systems; advanced technology; international programs; environmental security; nuclear, chemical, and biological programs; and the defense technology and industrial base.

Prior to his appointment by President Bill Clinton, Gansler was Executive Vice President and Director for TASC Inc., an applied information technology company in Arlington, Va. He previously held positions as Deputy Assistant Secretary of Defense (Materiel Acquisition); Assistant Director of Defense Research and Engineering (Electronics); Vice President, I.T.T; Program Management, Singer Corporation; and Engineering Management, Raytheon Corporation.

Gansler has served on numerous special committees and advisory boards, [including] tenures as Vice Chairman, Defense Science Board; Chairman, Board of Visitors, Defense Acquisition University; Director, Pro-



curement Round Table; Chairman, Industry Advisory Board of Visitors, University of Virginia; Chairman, Board of Visitors, University of Maryland, School of Public Affairs; member of the Federal Aviation Administration Blue Ribbon Panel on Acquisition Reform; and senior consultant to the "Packard Commission" on Defense Acquisition Reform.

Gansler is the author of *Defense Conversion: Transforming the Arsenal of Democracy, Affording Defense*; and *The Defense Industry*. He is also a contributing author on 12 books on national security, research and development management, and public administration, as well as numerous journal papers, newspaper articles, and Congressional testimony.

From 1984 to 1997, Gansler was also a Visiting Scholar at the Kennedy School of Government, Harvard University. He is an Honorary Professor, Industrial College of the Armed Forces; and formerly was Visiting Professor at the University of Virginia.

Gansler holds a Bachelor's degree in Electrical Engineering from Yale University; a Master of Science degree in Electrical Engineering from Northeastern University; a Master of Arts degree in Political Economy from the New School for Social Research; and a Doctorate degree in Economics from American University.

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Statement of Dr. Jacques S. Gansler Under Secretary of Defense (A&T)-designate before the Committee on Armed Services, United States Senate

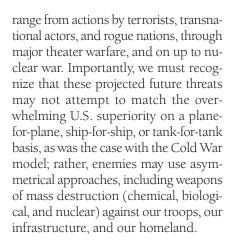
r. Chairman and members of the Committee, I am both honored and awed to appear before you today as a candidate for the position of Under Secretary of Defense (Acquisition and Technology). Specifically, I am honored to be considered for a job that I believe is the culmination of my 40plus year career in the defense acquisition and technology field —in industry, government, and academia. For this honor, I would like to sincerely thank President Clinton and Secretary Cohen for their nomination, and this Committee for your consideration. Yet, I am awed by the incredible challenges the Department of Defense faces over the next few years in the acquisition and technology arena. The two major challenges, as I see them, are: modernizing America's forces with the "right" weapons for the nation's early 21st Century security needs; and paying for this required modernization within a constrained budget.

Modernizing for 21st Century Warfare

Let me very briefly touch on these two issues and some of the key actions required to address them: First, meeting the challenge of specifying, developing, equipping, training, and supporting America's forces with the weapons and other essential military systems, required to meet the projected threats of the early 21st Century. As the Quadrennial Defense Review indicated, these projected threats

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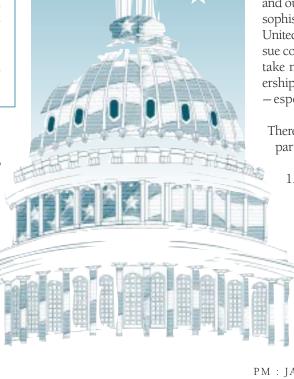
"The two major challenges...are: modernizing America's forces with the "right" weapons...and paying for this required modernization within a constrained budget."



Additionally, they do not need to have the capability of developing their own weapons. They can buy them on the global arms market and, increasingly, the commercial market - while also purchasing the required training in the use of these weapons (including achieving the extremely damaging effects of global information warfare against our forces and our infrastructure). To counter these sophisticated, asymmetrical threats, the United States must not only actively pursue counterproliferation efforts, but also take maximum advantage of our leadership position in advanced technology - especially in the information field.

There are five areas that I believe require particular attention:

- Near-term achievement of an integrated, secure, and "smart" command, control, communications, and intelligence (C³I) infrastructure the backbone of the Revolution in Military Affairs.
 - 2. Development and deployment of long-range, all-weather, low-cost, precise, and "smart"



weapons — to achieve maximum fire power with minimum loss of life

- 3. Achievement of rapid force projection and global reach of military capability.
- 4. Development and deployment of credible deterrents and, if necessary, military capability, against projected early 21st Century threats—such as biological, chemical, nuclear, and information warfare, as well as large numbers of low-cost cruise missiles.
- Achieving interoperability with our allies – an essential requirement for coalition warfare.

Paying for Modernization

The second major issue is how to pay, within a constrained budget, for this required weapons modernization. Essentially, what is required is the realignment of overall DoD resources to reflect 21st Century military needs. Specifically, we must implement a "Revolution in Business Affairs" within DoD - thereby achieving the needed performance gains at far lower costs. To do this, the government must take full advantage of the technologies and management lessons that U.S. commercial industry has evolved over the last decade, as it returned to its leadership position in worldwide commerce.

Today, the United States clearly has the strongest military in the world. Yet, we have put off force modernization over the last decade – allowing the procurement account to fall by over 70 percent. The challenge is not only to replace the aging equipment, but also to develop and deploy the new systems required for the early 21st Century. Thus, we must continue a strong R&D effort while also buying far more of the advanced communication and intelligence systems, offensive and defensive "smart" weapons, biological and information defense, etc., required for projected future conflicts. Based on current budget projections, however, all of this must be done without a significant increase in the overall DoD budget.

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Here again, five areas require specific attention:

- We must aggressively pursue and fully implement the acquisition reform initiatives which the Congress and the Department worked so hard to develop over the last several years.
- 2. We must restructure the defense industrial base in order to achieve civil/military integration: to broaden the industrial base (for greater efficiency and competitiveness) and to take full advantage of the commercial information technology revolution.
- 3. Since far too much (currently around 65 percent) of the total DoD budget goes to the "support" area, there must be a significant shift of DoD resources from support to modernization and combat a conversion of "tail" to "teeth."
- 4. We must drastically transform the current DoD logistics elements of the acquisition system, in order to achieve much faster response at much lower cost. "Focused logistics" is one of the four major objectives of the Chairman of the Joint Chiefs' "Vision 2010" and advanced information systems are the key to this transformation.
- 5. To achieve efficient and effective modernization of the DoD acquisition system, we must focus on enhancement of the acquisition workforce. As we become in-

creasingly more dependent upon the good judgment and discretion of our acquisition personnel, superior education and training become even more critical.

Conclusion

Let me end these remarks on a personal note. Eleven years ago, I had the privilege of appearing before this Committee with Dave Packard and Bill Perry (two individuals I greatly admire). At that time, the three of us presented the findings and recommendations of the so-called "Packard Commission." In response to that effort, this Committee began a process of very significant change in the DoD. The positions of Vice Chairman of the JCS and Under Secretary of Defense for Acquisition (as it was first titled) were created, and the Committee took other actions that greatly strengthened both our Joint warfighting capability and our acquisition efficiency and effectiveness. Since then, this Committee has played a major role in passing the Federal Acquisition Streamlining Act and the more recent Clinger-Cohen Act. Each of these actions has been a critically important step in transforming the DoD to meet its 21st Century national security role. However, in spite of these gains, today's rapidly changing world situations, defense budget constraints, and exploding global technological advances lead to conditions that offer enormous challenges to the DoD's acquisition process. If confirmed, I look forward to working closely with each of you in addressing these challenges. Indeed, I will be truly honored if you give me the opportunity to serve my country in this way.

Mr. Chairman, I appreciate having the opportunity to testify today, and I look forward to answering any questions you or other members of the Committee may have.

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